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**RUMFORD GROUP HOMES
SETTLES FEDERAL HEALTH CARE BILLING ISSUES**

Portland, Maine: United States Attorney Paula D. Silsby today announced a civil settlement with **Rumford Group Homes, Inc.** (“RGH”), located in Rumford, Maine.

The settlement involved the improper submission of certain costs for reimbursement by the Medicaid program, which in Maine is known as MaineCare. As part of the settlement, RGH paid a total of \$167,463.20 in full satisfaction of any outstanding State and Federal claims.

The government alleged that for the fiscal year beginning July 1, 2000, and ending June 30, 2001 (“fiscal year 2001”), RGH claimed costs that were improperly included in cost reports submitted for reimbursement by MaineCare for the following: (a) transactions with a related party, as defined by Medicaid regulations and accounting standards, for the lease of buildings, equipment, and vehicles, in excess of allowable amounts; and (b) prepaid expenses as if the services had already been incurred during fiscal year 2001. According to the government, RGH knew or should have known that the costs were inappropriate to include in the costs reports.

The settlement ends an investigation that was conducted jointly by the U.S. Attorney’s Office and the State of Maine’s Healthcare Crimes Unit, together with the Audit Department and Program Integrity Unit of the Maine Department of Health and Human Services

U.S. Attorney Silsby praised the investigation conducted by all of those involved.